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36TH ANNUAL REPORT
OF THE
EMPLOYMENT SECURITY DIVISION
OF
MONTANA DEPARTMENT OF LABOR AND INDUSTRY

TO THE
GOVERNOR OF MONTANA
THOMAS L. JUDGE

FOR THE
FISCAL YEAR ENDED
JUNE 30, 1973

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LETTER OF TRANSMITTAL

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EMPLOYMENT SECURITY DIVISION

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Montana State
Employment Service

October 10, 1973

October 10, 1973

The Honorable Thomas L. Judge
Governor
State Capitol Building
Helena, Montana 59601

Dear Governor Judge:

This, the thirty-sixth in a series of annual reports on employment security programs in Montana, is submitted in compliance with requirements of Sections 87-120 and 87-122, Revised Codes of Montana, as amended.

It is a matter of note and record that the Montana Employment Service Bureau marked its 40th anniversary of service to workers and employers of the state as the Fiscal Year 1973 ended. Over the span of the past four decades, it has developed and matured from the single concept of a labor exchange to a more sophisticated vehicle for the delivery of a variety of manpower services. Its aims and purposes are for the fullest development of our human resources to the end that all will benefit - the individual, the employer and the economy of the state.

During Fiscal, 1973 some of the problems created by three major economic setbacks in Fiscal, 1972 began to dissipate. The shadows of unemployment were lighter, but the unemployment rate of over six per cent for all but one month of the fiscal year remained a worrisome statistic.

There were good signs, however, that the economy was upward bound:

. Industrial employers listed 44,622 job openings with employment service offices, up more than 7,600 from Fiscal, 1972.

. Industrial job placements increased 32 per cent. The 48,951 job placements by local employment service offices included 39,000 workers placed in the industrial sector, and 9,951 in agriculture.

The Honorable Thomas L. Judge
October 10, 1973
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. There was calm on the labor front - the absence of major labor disputes kept the number of working days lost to strikes at a new low.

. Vietnam Era veterans, minority groups, older workers and women received a good share of employment and training opportunities.

. Workers employed in insured industries received more than \$1 billion in wages in Fiscal, 1973.

Other major employment service and unemployment insurance accomplishments are summarized in the contents of this report.

In retrospect, total employment remained stable with modest job gains in some industries but with the facts pointing to the need for a more accelerated job growth if we are to cope with the increasing influx of new entrants into the labor force. On balance, we face the task of ensuring the economic necessities for our people and at the same time preserving the quality of the environment which makes it all worthwhile.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Fred Barrett", with a stylized flourish at the end.

FRED BARRETT, Administrator
Employment Security Division
Department of Labor and Industry

FB:km

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PRINCIPAL OFFICES AND OFFICERS

EMPLOYMENT SECURITY DIVISION
PRINCIPAL ADMINISTRATIVE OFFICERS

Fred Barrett, Administrator
Jess C. Fletcher, Chief, Employment Service
Donald R. Merritt, Chief, Unemployment Insurance
Moody Brickett, Attorney
C.C. Rusek, Chief, Administrative Services
George A. Kniepp, Information Officer
Charles E. Peterson, Jr., Supervisor of Benefits
Harold Kaniser, Supervisor of Contributions
Robert Chilton, Supervisor of Appeals
Norman Swanson, Supervisor of Machine Operations

BOARD OF LABOR APPEALS

Michael J. Whalen, Chairman, Billings
(Term ending January 3, 1977)
Douglas R. Hansen, Member, Missoula
(Term ending January 3, 1977)
James W. Murry, Member, Helena
(Term ending January 1, 1975)

PRINCIPAL OFFICE

Employment Security Building
Corner of Roberts and Lockey Streets
Helena, Montana 59601

LEGAL REFERENCES

EMPLOYMENT SECURITY DIVISION OF MONTANA

LEGAL REFERENCES

EMPLOYMENT SERVICE - UNEMPLOYMENT INSURANCE:

The Employment Security Commission was established in 1937 and is provided for in the following Federal Statutes: 29 U. S. C. A. 49 through 49n; 42 U. S. C. A. 501-503, 1101 through 1105, 1321 through 1324, 1361 through 1371; 77 STAT 52; P. L. 88-31 and 42 U. S. C. A. 1362; 74 STAT 985, P. L. 86-778. State Statute: 87-101-152, R. C. M. 1947; Title 82A - 101 et seq R. C. M. 1947.

MANPOWER DEVELOPMENT AND TRAINING (MDTA):

Federal: 42 U. S. C. A. 2571-2620; 76 STAT 29; P. L. 90-636
State: 87-128, R. C. M. 1947.

WORK INCENTIVE PROGRAM (WIN):

Federal: 76 STAT 23; 42 USC 2571; 29 USC 49-49K P. L. 90-248 P. L. 92-223
State: 87-128 R. C. M. 1947.

JOB CORPS (JC):

Federal: P. L. 90-222 Title I 78 STAT 508; 42 USC 2711-2722, Part A.
State: 87-128 R. C. M. 1947.

CONCENTRATED EMPLOYMENT PROGRAM (CEP):

Economic Opportunity Act of 1964, as amended, Section 123(a)5.

PRINCIPAL GOALS

PRINCIPAL GOALS

Montana Employment Security Law

DECLARATION OF PUBLIC POLICY

"As a guide to the interpretation and application of this act, the public policy of this state is declared to be as follows: Economic insecurity due to unemployment is a serious menace to the health, morals, and welfare of the people of this state. Involuntary unemployment is therefore a subject of general interest and concern which requires appropriate action by the legislature to prevent its spread and to lighten its burden which now so often falls with crushing force upon the unemployed workers and his family. The achievement of social security requires protection against this greatest hazard of our economic life. This can be provided by encouraging employers to provide more stable employment and by the systematic accumulation of funds during periods of employment to provide benefits for periods of unemployment thus maintaining purchasing power and limiting the serious social consequences of poor relief assistance. The legislature, therefore, declares that in its considered judgment the public good, and the general welfare of the citizens of this state require the enactment of this measure under the police powers of the state of the compulsory setting aside of unemployment reserves to be used for the benefit of persons unemployed through no fault of their own."

In line with the stated public policy, the overall goal is to reduce unemployment and underemployment to the lowest possible level by placing jobseekers in jobs which provide a decent standard of living and an opportunity to achieve maximum potential. Unemployment insurance provides income maintenance to regular members of the labor force whose employment is involuntarily interrupted and expected to be relatively short under normal economic conditions.

The primary effort is initiated through the basic program of the Montana State Employment Service. The elements are the recruitment, selection and referral of available workers to job opportunities provided by employers. This effort is supported by job counseling and testing of jobseekers and by providing occupational analysis and related industrial services to employers to match workers with jobs.

MAJOR ACCOMPLISHMENTS SUMMARIZED
(Employment Service)

MAJOR ACCOMPLISHMENTS SUMMARIZED

MANPOWER SERVICES

<u>FACTOR:</u>	<u>FY 1972-73</u>	<u>FY 1971-72</u>
New Jobseeker Registrants	72,398	61,965
Job Placements (Industrial and Agricultural)	48,881	43,909
Jobseekers Tested	12,848	12,887
Training Program Enrollees	2,033	1,989
Counseling Interviews	37,306	26,036
Industrial Employer Visits	24,735	20,294
Industrial Job Openings Obtained	44,622	36,986
Agricultural Employer Visits	3,976	5,554
Workers Resettled (Labor Mobility Program)	640	37

PROGRAM DESCRIPTIONS - MAJOR ACCOMPLISHMENTS

MANPOWER DEVELOPMENT & TRAINING ACT (MDTA)
(Institutional Training)

OBJECTIVES:

To provide classroom occupational training and related supportive services for eligible unemployed or underemployed disadvantaged workers and veterans. Included are Viet Nam veterans, heads of families, minority group members, handicapped, youth, older workers, and others who lack skills and/or training to achieve full-time employment. Occupations chosen for such training are those considered demand occupations in Montana's labor market, thus assuring benefit to the trainees, their employers and Montana's economy.

Operation and administration of MDTA programs in Montana is a joint effort of the Employment Security Division and the Office of the Superintendent of Public Instruction. The Employment Security Division determines the needs of Montana's labor market and the vocational training needs of the individual eligible persons to be served. The Employment Security Division also: provides counseling, testing, selection; pays training allowances, subsistence, and transportation; does job development, placement, and follow-up after training and placement.

The actual classroom training program portions and the development of suitable curriculum are administered by the Office of the Superintendent of Public Instruction.

MAJOR ACCOMPLISHMENTS:

During Fiscal Year 1973 federal funds of \$896,813 were allocated for educational and allowance portions of Montana's Institutional MDTA Programs.

Special projects during the year again included Underground Miners and Off-The-Road Truck Drivers training in Butte, Institutional training for inmates in Deer Lodge, and both Water and Wastewater Plant Operator programs (for Viet Nam vets) at various training sites throughout the United States.

A large Statewide Individual Referral project provided the flexibility to tailor training to the needs of the individuals in over two dozen occupations on a less-than-class-group basis. This allowed sending individuals to the closest or most convenient training site or out-of-state when necessary to obtain the required curriculum. Another use made of the flexibility of this project was the use of "blocks" of slots to meet special needs of local areas expeditiously. Examples of this usage during FY '73 were: Auto Parts Countermen at Great Falls, licensed practical nurses at Kalispell, Basic Education in Billings, Psychiatric licensed practical nurses at Warm Springs and Waitresses at Great Falls. Because it allows rapid accomodation of both individual and local area training needs, the individual referral program becomes more important each year.

During Fiscal Year 1973 there were 639 persons enrolled in Montana's MDTA Programs. When viewed in terms of increased costs and reduction of available funds, this is a significant accomplishment. At present, 363 have completed training, of which 296 have been placed. This is an increase of 6% over Fiscal Year 1972. It must be realized that a large number of trainees (132) has not yet completed training, so these figures will increase as the others complete training and enter the labor force.

Viet Nam veterans received special priority in MDTA programs again in Fiscal 1973, and 167 veterans were enrolled. Of the 167 veterans in training, 135 were Viet Nam vets, which is 19% more than in Fiscal 1972.

Of the completions, 215 were males and 148 were females.

Altogether, 72% of all enrollees met the disadvantaged criteria, which is substantially over the required minimum.

SECTION 241:

Guidelines for funding programs under Section 241 have been broadened in recent years, and what was originally minority funding has expanded to a direct tie-in which an Economic Development Act grant in any area where such grants are issued. To Montana this has allowed programs in distressed areas as well as on the Indian Reservations.

Five Fiscal Year 1973 programs were funded under this Section of the Act. One of particular interest was the training of fishing-fly tiers at Shelby, Montana. This program was operated to encourage a new industry bringing new employment opportunity to an area economically depressed by the ABM construction shut-down. Other programs are providing training in clerical skills to the Northern Cheyenne to allow them to participate in the growth brought about by the development of strip mining at Colstrip, Montana. Upgrading of tribal employees at Poplar, Montana, and upgrading of machine operators at the Blackfoot tribally-owned pencil factory in Browning into supervisory personnel were the objectives of two other projects. Also psychiatric licensed practical nurses are again being trained under this Section at the State Mental Hospital at Warm Springs, Montana. They are again disadvantaged residents of Silver Bow and Deer Lodge Counties.

SECTION 251:

The MDTA Vocational Training Program for inmates of Montana State Prison in Deer Lodge, Montana, was again operated through the end of

the Fiscal Year, at which time it was taken over on a reduced scale by the Montana Department of Institutions. This program has made a significant contribution toward offender rehabilitation in Montana while under MDTA sponsorship.

SECTION 231:

Under this Section, class-group size projects were developed to meet some of the more severe worker shortages in Montana's economy, as well as our large Statewide Individual Referral Program.

As is usually the case, the need for trained food service personnel resulted in operation of cook training programs in Missoula, Billings, and Great Falls, with waitress training added in Great Falls.

In the larger population areas, local industry-related programs provided timber harvesters at Missoula, timber fallers at Kalispell, and metal workers in Billings.

Needs that were identified later in the season, such as auto parts counter men in Great Falls, were met with the flexibility of the Individual Referral Program. This also encompassed individual training needs that required out-of-state training, such as salvage diver and aviation instrument technician.

FISCAL 1974:

Fiscal 1974 MDTA Programs were planned and will be operated under the Manpower Revenue Sharing concept through the CAMPS Plan and the Governor's Manpower Advisory Committee. To date approximately 14 projects are contemplated for '74, with three funded so far. These include a Statewide Individual Referral Project and a new Region-wide Underground Miner Project

in Butte.

Under Manpower Revenue Sharing, all planned goals will be strictly adhered to, except for modifications necessitated by funding delays over which no control is possible. All modifications of the plan will be submitted through the Governor's Manpower Advisory Committee for their concurrence.

WORK INCENTIVE PROGRAM (WIN)

OBJECTIVES:

To move men, women, and out-of-school youth, age 16 or older, who are recipients under the Aid to Families with Dependent Children (AFDC) programs from the welfare rolls into meaningful, permanent productive employment through appropriate placement services, training and related social services. Services offered include placement or on-the-job training and follow-through supportive services for the job ready; work orientation, basic education, skill training, work experience and follow-through supportive services to improve employability for individuals who lack job readiness; and placement in special work projects for individuals not ready for employability development. Supplementing these manpower efforts are supportive social services including day care for children, medical, legal, homemaking, aid with family problems, etc.

MAJOR ACCOMPLISHMENTS:

The WIN program in Montana began on October 1, 1968, and operates statewide with eight (8) centers located in Missoula, Helena, Butte, Great Falls, Billings, Glasgow, Browning, and Kalispell.

Federal funds of \$1,019,796 coupled with the state's share of \$113,311 brought the total funding to \$1,133,107.

There were 1,806 trainees in the program in fiscal 1973, including a carryover of 610 persons from fiscal 1972. A total of 548 persons were in the orientation and assessment phase of the program. Basic education was provided for 453, vocational training was provided for 521 enrollees. 268 were on work experience programs, and 146 participated in on-the-job training.

Of the 1,102 enrollee terminations in fiscal 1973, 561 were placed in jobs. The balance were separated from the program for various reasons including health, marriage, family care, pregnancy, moved from area, no longer on welfare, and returned to school.

The training slot level under this program remains at 650 for fiscal 1974 with a total funding available of \$1,994,779.

Legislation in the form of the Talmadge Amendments to the Social Security Act was passed during fiscal year 1972 and became effective on July 1, 1972. The amendments resulted in a revision of program emphasis to job placement with a minimum of vocational training and more usage of on-the-job training.

JOB OPPORTUNITIES IN THE BUSINESS SECTOR (JOBS)

OBJECTIVES:

To stimulate private industry's interest in hiring, training and retaining the disadvantaged worker through on-job training. To provide meaningful entry jobs and upgrading of skill levels for Montana's disadvantaged by provision of OJT training, counseling, job related education and supportive services.

MAJOR ACCOMPLISHMENTS:

During fiscal 1972, the JOBS Program expanded with increased funding and approval of administrative funds for temporary full time Contract Service Representatives to provide greatly increased contract promotion and development. This increased promotional activity at the end of Fiscal 1972 reflected on the Fiscal 1973 activities as many contracts which were developed in fiscal year 1972 were held over by the Manpower Administration and funded with Fiscal 1973 funds.

During fiscal 1973, 145 contracts were funded for 184 trainees. JOBS Program emphasis during fiscal year 1973, was re-directed at contracts for multiple training slots with a newly revised and simplified contract format (MA-7X) being used for the first time in September 1972. All contract promotion, negotiation, and servicing, as well as trainee recruitment, selection, and referral was carried out by the Employment Service. Contracts, once developed, were submitted to the Regional Manpower Administration for funding.

JOP
JOBS OPTIONAL PROGRAM

OBJECTIVE:

To contract with individual employers in private industry to hire, train and retain the unemployed, with the employer being reimbursed for the extra costs of training. The program also provides upgrading training for the working disadvantaged or working poor.

MAJOR ACCOMPLISHMENTS:

During Fiscal Year 1973, 275 contracts were written for 304 trainees, obligating contract funds in the amount of \$198,447. This was almost a three-fold increase over 1972 activity, due in part to a greater availability of funds and, as in the JOBS Program, an increased effort on enrollment of Veterans.

All contracting under this program is between the individual employer and the Employment Security Division. As in the JOBS Program, all contract promotion, negotiation and service; as well as trainee recruitment, selection, certification and referral was carried out by the Employment Service.

CONCENTRATED EMPLOYMENT PROGRAM (CEP)

OBJECTIVES:

To concentrate public and private resources in a coordinated and comprehensive manpower program in selected, economically distressed areas that would result in substantial job opportunities for unemployed and underemployed people. To develop appropriate mechanisms for mobilizing and actively involving the business, labor, community and public leadership in the planning and implementation of this program and to expand and improve ongoing manpower and training programs.

MAJOR ACCOMPLISHMENTS:

Contracted through the Butte-Silver Bow Anti-Poverty Council and subcontracted by the Montana State Employment Service, CEP action involved the six counties of Silver Bow, Lewis and Clark, Deer Lodge, Meagher, Broadwater, and Jefferson.

Fiscal 1973 funding was for \$981,290 with the state of Montana providing 10 per cent in-kind services. Total program enrollment was 853 persons, including 248 carryovers from the prior fiscal year.

Program participants received a variety of services including orientation and assessment, basic education, vocational training, on-the-job training, work experience and other services.

The 652 terminations included 372 placed on jobs. Terminations of 280 others were for reasons beyond program control including health, moved from area, family care, returned to full time schooling, marriage, etc.

JOB CORPS

OBJECTIVES:

To provide education and training to disadvantaged youth in the 16 through 22 year age group at Federally operated training centers. The Employment Service recruits and screens interested applicants in accordance with Job Corps admissions criteria and recommends those who could benefit from the program.

MAJOR ACCOMPLISHMENTS:

During fiscal 1973, Employment Security Division Offices recruited and screened approximately 3,000 youth in order to obtain 313 male and 97 female applicants who were qualified and interested in Job Corps training. A total of 316 enrollments, 264 male and 52 female, were obtained from the above activities.

Male Job Corps trainees are trained at one of the three 200 man Job Corps Centers operating in Montana: Trapper Creek near Darby and Anaconda, operated by the Forest Service; and Kicking Horse near Ronan operated by the Confederated Salish and Kootenai Tribes of the Flathead Reservation.

All three centers provide education leading to the GED, high school equivalency diploma, and various types of vocational training in such areas as heavy equipment, carpentry, painting, auto mechanics, and many more.

Female Job Corps enrollees were sent to Women's Centers in Missouri, Oregon or New Mexico where they obtained training as nurse aides, teacher aides, clerk-typists or sales clerks, among others.

Following Job Corps training, the Employment Service provides job placement and supportive services to ex-Corpsmembers. During fiscal 1973, Employment Security Offices provided these services to 299 ex-Corpsmembers.

ALIEN EMPLOYMENT CERTIFICATION PROGRAM

OBJECTIVES:

To provide labor certifications for the temporary or permanent employment of alien labor in specific and select occupations in which resident workers are not readily available in the state.

MAJOR ACCOMPLISHMENTS:

Federal guidelines and regulations concerning the employment of immigrant permanent workers continued relatively unchanged during fiscal year 1973. Only five occupational categories carry automatic certification, while the list of automatically deniable occupations is 48. No major changes occurred in regulations pertaining to the employment of foreign farm workers since the existing rules are already quite stringent and prohibitive.

During fiscal 1973, employer requests for alien employment certification on permanent job offers totaled 19, with 10 requests denied. Only three requests for the permanent employment of an alien farm worker were processed and two were denied. The high ratio of denials of permanent alien job offers, both in the industrial and agricultural categories, parallels closely the unemployment rate experienced by Montana workers during this fiscal year. There were 76 employer requests for employment of temporary non-agricultural alien workers, with 26 applications denied. Temporary requests for foreign agricultural workers totaled five of which four were denied.

EMERGENCY EMPLOYMENT ACT (EEA)

PUBLIC EMPLOYMENT PROGRAM (PEP)

OBJECTIVES:

To make financial assistance available to public employers for provision of transitional public service jobs for unemployed and underemployed persons in times of high unemployment. The emphasis is placed on the transitional nature of the jobs with participants encouraged to move into regular employment as soon as possible.

Two basic funding provisions specified in the Act:

Section 5 authorizes the Secretary of Labor to make funds available to eligible applicants when the national unemployment rate equals or exceeds 4.5 per cent for three consecutive months.

Section 6 makes funds available for a Special Employment Assistance Program for areas of substantial unemployment, which are defined as areas which experience an unemployment rate of 6 per cent or more for three consecutive months.

MAJOR ACCOMPLISHMENTS:

Section 5: During the fiscal year 1973 the Montana Employment Security Division enrolled 538 participants into the program. A goal of 40 per cent participant rate for Special Veterans and Viet Nam Era Veterans was established. So far, Montana has exceeded this goal.

Section 6: A total of 156 participants were enrolled in FY 1973 under Section 6, with 71 per cent in Special Veterans or Viet Nam Era Veterans categories.

To date, placement in unsubsidized jobs in both public and private sectors for both sections has exceeded 60 per cent.

As of June 30, 1973, a total of \$7,685,152.00 has been obligated under both Section 5 and Section 6 since the inception of the Emergency Employment Act Program. Approximately 47 per cent of all the participants enrolled in the two sections in FY 1973 were disadvantaged.

LONG RANGE GOALS:

For fiscal year 1974, enrollment of Special Veterans and Viet Nam Era Veterans will be emphasized. The participation rate of non-whites and the disadvantaged will also receive increased impetus.

PHASE OUT:

At the present time plans are for a complete phase-out of Emergency Employment Act by June 20, 1974. Efforts are being made for gradual reduction of slots and expenditures with each employing agency so they can move their participants into permanent employment as soon as possible.

PEP Summer Youth Program

OBJECTIVE:

Funds from the Emergency Employment Program were released by the Department of Labor to provide Summer Employment for Disadvantaged Youth to replace the Neighborhood Youth Program which was being phased out. The Montana Employment Security Division was selected as the Employing Agency to administer \$320,000.00 which was obligated from the regular Emergency Employment Act funds. Agreements were drawn up between the user agencies and the Employment Security Division, with the Employment Service making all selections, referrals and payment of weekly payrolls, etc. Yellowstone County elected to have the Employment Security Division administer their Summer Youth Program because of the limited amount of money that was available. They felt that the limited funds should be used to employ more youth and not to be used for administrative costs.

MAJOR ACCOMPLISHMENTS:

A total of 992 enrollees were placed in 952 work sites throughout the state. The administrative cost of operating this program was less than 4% of the total program expenditures. Enrollment was restricted to disadvantaged youth from low-income families, and special consideration was given to minority groups, Viet Nam and Special Veterans through the age of 29. A majority of the enrollees completing the program have returned to school, however, over 10% were placed in employment with public and private employers.

Agreements were set up with 240 user agencies comprised of local and federal governments, and non-profit organizations throughout Montana. These agencies were responsible for work assignments and supervision.

GREEN THUMB PROGRAM

OBJECTIVES:

To provide work training coupled with paid employment for chronically unemployed low income adults, age 55 and over, in areas of betterment and beautification of local communities, public recreational areas and historic sites.

MAJOR ACCOMPLISHMENTS:

During fiscal 1973 the Green Thumb Program, funded by the Department of Labor and sponsored by the Montana Farmers Union, provided employment for an average of 124 older workers. There were 22 crews in 13 Montana counties.

Numerous projects are in various stages of completion.

Average age of Green Thumb workers is 68½, the oldest being 89. Minorities make up 31 per cent of the program participants.

Enrollees were selected, screened and referred by Montana State Employment Service Offices.

Funding for the Green Thumb Program for fiscal 1974 is uncertain at this time. Operation from July 1, 1973, to January 1, 1974, has been funded.

The older Americans Act would double funds available for programs like Green Thumb. The House of Representatives did not fund the title of older Americans Act. The Farmers Union as sponsor of Green Thumb is trying to get appropriations in the Senate. Money could continue to come from the Department of Labor.

SPECIAL SERVICES: COUNSELING, YOUTH, HANDICAPPED

OBJECTIVES:

To assist special groups of applicants achieve vocational adjustment at as satisfactory an economic and skill level as possible. To assist individuals with employment problems to gain sufficient insight into his or her interests and abilities and the nature of the world of work. This is done so the applicant can make a decision, not only as to the selection of a vocational goal but as to the steps to be taken to reach that goal.

MAJOR ACCOMPLISHMENTS:

COUNSELING

The counselor is charged with the responsibility of assisting those who are experiencing difficulty competing in the labor market, such as veterans, the handicapped, the educationally deficient, welfare recipients, prison releasees and others with multiple problems which constitute barriers to employment. 31,140 counseling interviews helped those in need find the way to vocational choice, change or job satisfaction. Counselors assisted applicants formulate complete employability plans. These plans involved among other things, remedial education, orientation to work, skill training, supportive services and ultimately job placement.

YOUTH

In the promotion of jobs and services for younger workers, employment service personnel maintained cooperative relations with schools, training agencies, and community groups. Some youths are qualified to compete in the labor market with adults. Others have problems of job choice, job preparation, job adjustment, or need special help in finding suitable employment. Obstacles frequently encountered by young applicants were: limited or non-existent work history, lack of experience with employer interviews,

poor work habits, and a need for assistance in establishing a realistic vocational plan. A total of 37,656 youth registered with the local employment service offices during the year and 14,782 were placed on jobs.

HANDICAPPED

Not all applicants with a disability were in need of selective placement assistance. For selective placement, an applicant is designated as handicapped if his incapacity meets one of the following criteria: requires change or modification of his normal occupation; makes it difficult to obtain employer acceptance for suitable work; requires special job placement to avoid injury to self or others; restricts opportunities for entry into the labor force. A total of 4,998 individuals who were handicapped registered with local employment service offices during the year. There were 2,774 placements of the handicapped during the same period. Placement was often the result of joint efforts with other public agencies and private organizations.

TEACHER PLACEMENT SERVICE

OBJECTIVES:

To provide assistance to educational hiring officials, and to qualified administrators and teachers seeking placement in Montana's school systems.

MAJOR ACCOMPLISHMENTS:

More than 500 school administrators and teachers enrolled with the Teacher Placement Service during fiscal 1973. Out-of-state enrollment was limited to those with needed skills, notably music and certain special education fields.

The teacher surplus continued at a rate near that of the last several years. Shortages were evident again in the music and special education fields. A total of 365 teachers and administrators were placed on jobs, the majority of them in Montana schools and colleges.

OLDER WORKER PROGRAM

OBJECTIVES:

The objective of the Older Worker Program is to give special emphasis to the solution of employment problems of older workers, enabling them to obtain and hold jobs at the highest skill they are capable of performing.

MAJOR ACCOMPLISHMENTS:

Local Employment Office Older Worker Specialists, charged with the responsibilities of recognition and evaluation of older worker employment problems, provided selective placement through job development for the job ready. Counseling and occupational training, when needed, were provided through various Federal Manpower programs for those having obsolete job skills.

During the fiscal period ending in June of 1973, a total of 10,140 unemployed job seekers over age 45 filed new applications for work. Of these, 4,048 or 40 percent were placed in non-agricultural employment. In addition, 1,790, or 18 percent were placed in agricultural jobs.

Occupational counseling services enabled 2,588 older workers to make a new job choice or to enter occupational training programs.

A total of 184 job seekers in the over 45 age group were enrolled in various Federal Manpower funded training components during fiscal 1973. 95 were in the WIN program, 29 in the CEP program, 25 in the OJT program and 35 in the MDTA program.

A labor Mobility Project started in Fiscal 1972 to assist ABM workers displaced by the Great Falls area ABM Missile Project shutdown continued in Fiscal 1973. 40 percent of these workers were over 45 years of age.

EMPLOYMENT SERVICE RESEARCH AND ANALYSIS

OBJECTIVES:

Gather, tabulate, publish and analyze all types of employment and economic data. Furnish the Bureau of Labor Statistics and the Manpower Administration with required data for inclusion in National Statistical Programs. Provide all types of data necessary for Manpower planning.

MAJOR ACCOMPLISHMENTS:

Published and mailed 500 copies monthly of the "Montana Employment and Work Force", containing estimates of nonagricultural wage and salary employment by industry in the State and the Great Falls and Billings Standard Metropolitan Statistical Areas with inclusion of estimates of hours and earnings by industry for the entire private sector, current job openings and labor turnover rates.

Prepared Area Manpower Reviews of counties designated as areas of high unemployment by the Department of Labor, Manpower Administration, along with special reports at the request of local officials to determine eligibility for federal funding assistance under Titles I and IV of the Economic Development Act of 1964, or for contract procurement preference under Defense Manpower Policy #4. Currently, seven Montana counties are designated as areas of persistent unemployment with eleven others in the substantial unemployment category. Fourteen of the eighteen counties are eligible for assistance under Title I of the Economic Development Act.

Compiled and published "Montana Manpower, 1970 - 1980", a guide of projected Montana employment by industry and occupation for use by manpower planning agencies and vocational education.

UNEMPLOYMENT INSURANCE

<u>REGULAR STATE PROGRAM</u>	<u>FY 1972-73</u>	<u>FY 1971-72</u>
Initial Claims - Unemployment Insurance	28,759	29,876
Eligibles (Monetary)	22,779	23,912
Ineligibles (Monetary)	5,271	5,964
Continued (weekly) Claims Filed	290,010	265,415
First Payments	18,468	18,738
Claimants Exhausting Benefits	6,017	5,576
Number of Payments	246,238	234,324
Average Number of Weekly Payments	4,735	4,506
Unemployment Insurance Paid	\$11,125,173	\$10,221,349
Weeks Compensated	241,691	230,688
Average Weekly Benefit Amount	\$46.03	\$44.31*
Average Duration of Benefits (weeks)	13.1	12.3
Employer Contributions to Trust Fund	\$9,745,945	\$7,371,584
Appeal Hearings Conducted:		
Lower Authority - Appeals Referee	733	646
Higher Authority - Board of Labor Appeals	44	39

FEDERAL PROGRAMS

Unemployment Compensation for Federal Employees (UCFE)

Initial Claims - Unemployment Insurance	1,371	1,517
Continued (weekly) Claims Filed	16,016	15,785
Weeks Compensated	12,545	10,750*
Amount of Benefit Payments	\$612,433	\$538,709*

UNEMPLOYMENT INSURANCE

(continued)

	<u>FY 1972-73</u>	<u>FY 1971-72</u>
Unemployment Compensation for Ex-Servicemen (UCX)		
Initial Claims - Unemployment Insurance	1,614	2,488
Continued (weekly) Claims Filed	19,788	27,553
Weeks Compensated	17,432	24,399*
Amount of Benefit Payments	\$902,654	\$1,204,953

EXTENDED BENEFITS & TEMPORARY COMPENSATION

Initial Claims Filed (All Programs)	986	2,029
Weeks Compensated (All Programs)	6,083	11,540
Am't of Benefits Paid (All Programs)	\$266,807	\$485,909

SPECIAL BENEFIT PAYMENTS RESULTING FROM THE BOARD OF LABOR APPEALS
DECISION #1070, FOLLOWING A METALS INDUSTRY LABOR DISPUTE

<u>Regular Program</u>	<u>Total</u>	
UI Weeks Compensated	11,112	---
Total Payments	\$521,556	---
 Federal Weeks Compensated	 158	 ---
Total Payments	\$7,225	---
 <u>EB Program</u>		
UI Weeks Compensated	91	---
Total Payments	\$4,271	---

*Revisions to 35th annual report reflecting final activities.

UNEMPLOYMENT INSURANCE

OBJECTIVES:

To aid in economic security for individuals and communities by the payment of unemployment insurance benefits to jobless workers who have earned protection under the Act.

The purpose of unemployment insurance is to provide income protection to workers as an earned benefit, and paid by taxes based on an employer's payroll. The benefits are paid to eligible claimants when unemployed temporarily due to industry shut downs or worker layoffs. To qualify for these benefits, a worker must have been employed by an insured employer during the previous eighteen months, and out of work through no fault of his own. He must also be able to, available for, and actively seeking work.

MAJOR ACCOMPLISHMENTS:

The three Unemployment Insurance Programs: 1) State, 2) Unemployment Compensation for Federal Employees, and 3) Unemployment Compensation for Ex-Servicemen paid out a total of \$12,640,260. This money went directly into the mainstream of Montana's economy. Of this amount, \$1,515,087 was paid from Federal funds to unemployed Federal civilian workers and ex-servicemen.

A total of 31,744 unemployed workers filed initial claims for benefits, up 1,868 persons from fiscal year 1972. Of this number, 22,779 were determined monetarily eligible, with 5,271 disqualified due to insufficient wage credits. Weekly continued claims totaled 290,010, an increase of 24,597 claims over fiscal year 1972. In all programs, 271,668 benefit checks were written, an increase of 5,831 payments from the previous fiscal year.

The average weekly benefit amount was \$46.03. The average payments made per week were 4,735, or 229 more than the fiscal year 1972 weekly average. First benefit payments were made to 18,468 unemployed workers, and 6,017 persons exhausted their benefit series.

The lowest month for benefit payments was September 1972 with 11,256 payments totaling \$531,247. January 1973 was the highest month with 35,952 payments amounting to \$1,686,051.

Unemployed workers filing for benefits against Montana from other states drew 17,221 payments totaling \$789,607. These claimants had earned their wage credits while working in Montana. Of the payments going to other states, claimants in Washington received 5,137 checks for the highest amount of \$227,456, followed by Idaho with 2,056 checks for \$96,219 and California with 1,887 checks totaling \$86,774.

Federal Programs

Federal Unemployment Insurance Programs decreased in fiscal year 1973. Benefits for ex-servicemen went down 6,967 payments, and \$302,299, and payments for unemployed Federal civilian workers increased 1,795 checks and \$73,724. Overall there was a decrease in Federal payments of 5,172 and \$228,575. Total Federal civilian unemployment payments were 12,545 and \$612,433; and payments to ex-servicemen were 17,432 for \$902,654.

Overpayment and Fraud

Montana maintains a constant scrutiny of claims, which amounts to a continuous program of fraud prevention, detection and control. This activity includes special investigations and post audits of matching claims filed against employer payrolls. During fiscal 1973 prosecution was recommended on 122 cases, resulting in 81 convictions.

Benefit Appeals

The appeals referees held 423 hearings due to claimants and employers disagreeing with agency deputies' decisions. The Labor Appeals Board heard 39 cases appealed from the appeal referees' decisions. Appeals decisions were favorable to the appellant in 38% of the Appeals Board cases, and in 18% of the lower authority appeals.

Montana appeals referees held 267 hearings for other states.

LEGISLATIVE CHANGES:

The most recent legislature enacted a new unemployment benefit schedule wherein the maximum weekly benefit amount is 50% of the average weekly wage in covered employment. This benefit increase did not go into effect until July 1, 1973, so its influence will not be felt until next fiscal year.

Persons receiving retirement benefits based on wages earned from their last employer and filing for unemployment compensation may be eligible, if able and available for work, provided that, when prorated on a weekly basis, the retirement pay does not exceed the states average weekly benefit amount paid during the immediately prior fiscal year. The average weekly benefit for fiscal year 1973 was \$46.03, allowing a claimant to draw this amount in retirement pay and still qualify for benefits, if otherwise eligible.

A claimant who has left his employment because of personal illness or injury not associated with misconduct, or left his employment upon the advice of a licensed and practicing physician, and after recovering from his illness or injury when recovery is certified by a licensed and practicing physician, he returned to his employer and offered his service and his regular or comparable suitable work was not available, will not be disqualified for leaving the work.

Coverage by unemployment insurance has been extended to nearly all employees of the State of Montana, effective January 1, 1975. This will bring coverage to an estimated additional 11,550 workers who do not now have this protection.

Employment Statistics

There were over 240,000 individual persons working at some time in Montana during calendar year 1972. The average monthly state covered employment during this same period was 153,752. This is the highest average insured employment in Montana's history.

Total wages paid to Montana's covered workers in calendar year 1972 (including non-profit and state government) was \$1,038,627,730. This is the first time in the state's history total covered wages have exceeded one billion dollars. This amount does not include \$31,813,500 paid in wages to Federal workers.

U.I. Research and Analysis

OBJECTIVES:

Collect, record, research, analyze, and project employment, wages, employer contributions, unemployment and benefit payments, disqualifications, and benefit costs, rates, and financing relevant to the effects of the following:

- (1) Proposed state legislation affecting unemployment insurance.
- (2) Proposed federal legislation affecting Unemployment Insurance, to include:
 - a) Extension of unemployment insurance coverage to hired farm workers.
 - b) Imposition of federal benefit standards on all states.
- (3) Continuous Wage and Benefit History Program.
- (4) Claimant Surveys
 - a) Repeaters
 - b) Monetarily ineligible claimants.
- (5) Special assigned projects.

MAJOR ACCOMPLISHMENTS:

All of the objectives were completed, with the exception of Item (2b), which is substantially complete, and Item (4) which was tabled in favor of research on other high priority projects, such as:

- (1) Extension of unemployment insurance to Montana's state government employees not previously covered.
- (2) Extended Benefits U.I. program, and "ON" and "OFF" triggers.

- (3) Temporary Compensation U.I. program, and "ON" and "OFF" trigger.
- (4) Compilation of Unemployment Insurance Handbook of Historical Data on Program statistics.

PROGRAM COST SUMMARY

ESD PROGRAM COST SUMMARY

	<u>FY 1972-73</u>	<u>FY 1971-72</u>	<u>Increase (Decrease)</u>
Unemployment Ins. & Employ. Serv.	\$ 17,194,289	\$ 16,766,985	<u>1/</u> 427,304
Job Corps	83,636	70,115	13,521
Manpower Development & Training	1,021,853	971,021	50,832
Concent. Employment Program	809,195	987,836	<u>2/</u> (178,641)
Work Incentive	963,231	946,256	16,975
Public Employment Program	4,547,483	2,926,760	<u>3/1</u> 1,620,723
Nabs Jobs	<u>308,311</u>	<u>146,910</u>	<u>161,401</u>
TOTAL PROGRAMS	\$ 24,927,998	\$ 22,815,883	\$ 2,112,115
Personal Services	\$ 4,066,110	\$ 3,819,787	\$ 246,323
Operating Expenses	1,322,959	1,892,479	<u>4/</u> (569,520)
Equipment	70,078	214,996	<u>5/</u> (144,918)
Assist; Grants & Benefits	18,090,786	16,888,621	<u>6/1</u> 1,202,165
Capital Outlay	254,281	--	254,281
Transfers *	973,738	--	973,738
Debt Service	<u>150,046</u>	<u>--</u>	<u>150,046</u>
TOTAL by Category *	\$ 24,927,998	\$ 22,815,883	\$ 2,112,115
Federal & Private Rev. Fund	\$ 6,837,528	\$ 7,024,051	\$ (186,523)
Federal & Private Grants Clear.	6,164,531	4,767,280	1,397,251
Bond Proceeds	140,000	--	140,000
Agency Fund	<u>11,785,939</u>	<u>11,024,552</u>	<u>761,387</u>
	\$ 24,927,998	\$ 22,815,883	\$ 2,112,115

- 1/ Increased Benefit Payments and Expansion of Program Regular Increments
- 2/ Cutback in Funding
- 3/ 71-72 Expenditures Were for Partial Years Funding
- 4/ Different Format Between 72 and 73
- 5/ Four New Local Offices Refurnished
- 6/ Increased Benefit Payments PEP Expenditures

* Does not include transfers from Agency Clearing Fund of \$9,872,232,
 Agency Trust Fund of \$11,330,470,
 \$751,000 Building Appropriation,
 Transfer to A & E \$194,922

